



Roy Cooper North Carolina Attorney General

Top Ten Consumer Complaints of 2005

1. Health Care: Last year, a total of 4,980 consumers filed complaints about health insurance, doctors, dentists, hospitals, pharmacies, opticians, nursing homes, health products and services. Consumers often have problems with medical billing practices or have trouble getting copies of their medical records. For help with health insurance issues such as grievances, appeals, and external reviews, consumers can call my Managed Care Patient Assistance Program at (919) 733-MCPA (toll-free in North Carolina (866) 867-MCPA), email MCPA@ncdoj.com, or visit www.nchealthconsumer.com.

2. Lenders/Creditors: 1,788 consumers complained to us about lenders and creditors. Complaints about credit vary greatly and include problems with mortgage lenders, banks, loan brokers, payday lenders, check cashing services, credit unions, refund anticipation loans, savings and loans, and pawn brokers. Consumers' complaints usually involve high interest rates, loan payment changes due to late or missed payments, adjustable rate mortgages, prepayment penalties and loan fees.

3. Debt Collection and Identity Theft: 1,634 consumers filed complaints about debt collectors or identity theft. Consumers often complain about threatening calls from debt collectors or how frequently they were contacted about a debt. In some cases, consumers get calls about debts that aren't even theirs. Identity thieves are striking more and more consumers across our state, stealing personal financial information and using it to run up debts and commit fraud in someone else's name. Some consumers don't find out that their identity has been stolen and their credit ruined until the debt collectors start calling. For tips on how to protect yourself from identity theft or what to do if you may be a victim, go to www.ndcoj.com/idtheft.

4. Do Not Call/Telemarketing: 1,571 consumers filed complaints with our office about unwanted telemarketing calls and unsolicited faxes. Consumers complain about unwanted faxes offering vacation deals and investment tips. Among the types of telemarketing calls generating the most complaints are those pitching satellite television, debt consolidation, mortgage loans and business opportunities. Since the Do Not Call Registry began last year, nearly 3 million North Carolina numbers have been placed on the list. Some consumers who've signed up have told us about telemarketers who've continued to call them and we've been able to use that information to go after dozens of violators. To report telemarketers, consumers can go to www.nocallsnc.com to fill out a Do Not Call complaint form.

5. Telecommunications: 1,535 consumers complained about their telephone, pager or cell phone service. The majority have problems with wireless telephone service. Other common complaints include slamming, when a consumer's telephone carrier is changed without their

consent, and cramming, when a company tries to sneak unauthorized charges onto a consumer's phone bill.

6. Telemarketing Fraud: A total of 1,489 consumers filed complaints concerning telemarketing fraud last year. The Federal Trade Commission estimates that fraudulent telemarketers scam as much as \$40 billion a year from unsuspecting U.S. consumers. Some of the most prevalent telemarketing schemes involve bogus international lottery tickets, advance fee loans, government grants, credit card or identity theft protection, and phony prizes or sweepstakes.

7. Automobile Repairs, Towing and Purchases: We received 1,310 complaints from consumers who had problems with car repair, towing and new and used car purchases. The most common complaints are pricing, improper diagnosis, unauthorized repairs, failure to honor warranties, and slow repair jobs. Consumers also complain about harassment from towing companies, and we receive numerous lemon law complaints from consumers who are dissatisfied with their new car.

8. Home Repair and Construction: 841 consumers filed complaints about home construction and repair work that was never performed, contractors who abandoned the job after getting paid, shoddy work, missed deadlines, and cost overruns. We also hear about scam artists who target seniors, attempting to sucker homeowners into a series of unnecessary and expensive home repairs.

9. Internet: We received 766 Internet-related complaints from consumers in 2005. In many cases, consumers are dissatisfied with their service or are surprised to see their long distance telephone bills rise sharply because of Internet dial-up charges. We also see complaints from consumers who ordered products via the web or participated in online auctions but never received their promised merchandise.

10. Health Clubs/Prepaid Entertainment Contracts: 701 consumers filed complaints with us last year about health club and other prepaid entertainment memberships such as dating clubs. My office hears complaints about gyms that close their doors before consumers' memberships expire, and some gyms that solicit advance memberships but never even open their doors. We also hear from consumers who feel stuck in long term contracts or are surprised by automatic renewals or extra fees.